control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected.

As a part of price monitoring activity, NPPA regularly examines the movement in prices of non-Scheduled formulations. The monthly reports of ORG IMS and the information furnished by individual manufactures are utilized for the purpose of monitoring prices of non-Scheduled formulations. Wherever any abnormal prices increase is noticed, necessary action is taken. The manufacturer is impressed upon in such cases to bring down the price voluntarily failing which, if justified, action is initiated under para 10(b) of the DPCO, 1995. This is an ongoing process.

(b)In case of non-Scheduled formulations, prices of 487 cases reported price increase beyond the permissible limits. Out of the above, NPPA has fixed prices in case of 24 formulations under para 10(b) and companies have reduced price voluntarily in case of 60 formulations. Thus in all, prices of 84 non-Scheduled packs have got reduced as the result of the intervention of NPPA.

(c)and (d) So far, no adverse impact on supply and production of drugs in the country due to price control has specifically come to the notice of NPPA.

Supreme Court direction on price control of drugs

t819. SHRI MOTI LALVORA:
SHRISATYAVRAT CHATURVEDI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a)whether it is a fact that in one of its order, the Supreme Court had said to bring life-saving drugs within price control;

(b)if so, when this ruling was given by the Supreme Court; and

(c)the steps taken by Government for compliance of the Supreme Court orders?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B. K. HANDIQUE): (a) to (c) The Supreme Court *vide* its interim order dated 10-3-2003 in SLP (C) No. 3668/2003 directed the Government, *inter alia,* to "consider and formulate appropriate criteria for ensuring essential and life saving drugs not to fall out of price control and further directed to review drugs which are essential and life saving in nature till 2nd May, 2003". As per the directions of the Supreme Court, the Ministry of health and Family Welfare reviewed the National Essential Drugs List 1996 and brought out the National List of Essential Medicines 2003 (NLEM 2003).

Keeping in view the directions of the Supreme Court it has been proposed in the draft National Pharmaceuticals Policy-2006 that basket of drugs for price control would be the essential medicines as contained in the NLEM 2003 (subject to certain exemptions) in

t Original notice of the question was received in Hindi.

addition to the 74 bulk drugs which **are** at present under price control under the Drugs **(Prices Control) Order, 1995.**

This Policy was submitted before the Cebinet for its approval. The Cabinet considered the Policy in its meeting held on 11.1.2007. It was decided that the matter may, in the First instance, be considered by a Group of Ministers (GOM). GOM has since been constituted under the Chairmanship of Shri Sharad Pawar, Minister of Agriculture and Minister of Consumer Affairs, Food & Public Distribution. GOM has held three meetings so far on 10-4-2007,12-9-2007 and 30-1-2008. GOM is yet to make its recommendations to the Cabinet.

The Drugs (Prices Control) Order, 1995 does not distinguish between life saving and other drugs. There are not specific norms or guidelines to determine as to which drug can be classified as life saving drugs. Every drug in general is considered useful in saving and prolonging of life.

Direct Fertilizer Subsidy to farmers

820. SHRI SANJAY RAUT:
SHRI RAVULACHANDRASEKAR REDDY:

Will **the** Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government is **considering** any proposal to provide direct fertilizer subsidy **to farmers;**

(b) if so, **by when it** will be implemented this in all over the country; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE **IN** THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B. K. HANDIQUE): (a) to (c) A Group of Ministers (GOM) constituted to looked into sustainable use of fertilizers and pertinent subsidy and pricing issues has looked into various issues relating to fertilizer sector including the option of direct fertilizer subsidy to farmers. The same has not been recommended by the GOM in its final recommendations.

Production cost of fertilizers

t821. SHRI RAJ MOHINDER SINGH MAJITHA: DR.
MURLIMANOHAR JOSHI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that production cost is different in different chemical fertilizers producing industrial units in the country;

(b) if so, what has been the highest and lowest production cost of each chemical fertilizer being produced in the country during the year 2007-08 (April to December);

(c) which industrial units have highest and lowest production cost; and

t Original notice of the question was received in Hindi.